

CENTRAL INTELLIGENCE AGENCY

REPORT

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4. The first point of the agenda of the conference was a report on the first quarter of 1954 on the basis of a questionnaire containing 13 questions. The representatives of the plants answered these questions as follows:
- Manager Graetz of Geraetewerk Leipzig: Plan fulfillment, 102 percent; work force, 520; ratio of production workers to administrative employees, 1.4 to 1, compared to a prescribed ratio of 3 to 1; supply situation, good; considerable loss of working days owing to frequent illnesses.
- Manager Betz of Geraetewerk Radebeul: Plan fulfillment, 75 percent; work force, 360; ratio of production workers to administrative employees, 1.35 to 1.
- Manager Domaschke of Fernmeldewerk Bautzen: Plan fulfillment, 115 percent; material supply, at an all-time high.
- Manager Braeuer of Geraetewerk Thalheim: Plan fulfillment, 64 percent; utilization of plant capacity, 80 percent; ratio of production workers to administrative employees, 1.5 to 1.
- Manager Groher of Geraetewerk Chemnitz: Plan fulfillment, 109 percent; utilization of plant capacity, 68 percent; supply situation, excellent; ratio of production workers to administrative workers, 2.3 to 1.
- Acting Manager Keller of Funkwerk Koellada: Plan fulfillment, 76 percent; supply situation, unsatisfactory.
- Manager Voigt of Fernmeldewerk Arnstadt: Plan fulfillment, 103 percent; work force, 3,500; material supply situation, good; 100 percent utilization of plant capacity; ratio of production workers to administrative workers, 1.7 to 1.
- Deputy Manager Bromnitz of Signalbau Treptow: Plan fulfillment, 77.7 percent; material supply situation, critical.
- Manager Lehmann could not attend the conference because he was in Poland.
- Acting Manager Jammernann of Fernmeldewerk Leipzig: Plan fulfillment, 106 percent; full utilization of plant capacity not guaranteed; ratio of production workers to administrative employees, 1.8 to 1.
- Manager Wiesner of Funkwerk Zittau: Plan fulfillment, 67 percent; work force, 850; considerable decrease in output due to shortage of materials and the amalgamation of the two radio engineering plants in Zittau; ratio of production workers to administrative workers, 1.8 to 1.
5. Scheffler declared that export deliveries made by the Fernmeldewerke at Leipzig, Bautzen and Arnstadt were severely criticized by the GDR government. When he was in China he saw numerous telephone exchanges 95 percent of the equipment of which had been delivered by GDR firms 18 months before; but the telephone exchanges could not be put into operation because the remaining five percent of the equipment, mostly signal and ringing facilities, were not forthcoming. Scheffler furthermore stated that production plans of most radio engineering plants would have to be modified in connection with government plans for an increase of the production of consumer goods. Financial means and materials would be made available for a mass production of consumer goods. Within the framework of these plans, Fernmeldewerk [redacted] started the manufacture of bicycle generators, and [redacted] Arnstadt had started the manufacture of refrigerators and a [redacted] machine, which was to be sold at a price of 90 eastmarks. [redacted] was ordered to manufacture an additional number of 5 [redacted].
6. Heinze, chief of the planning department of HV R-F-T, stated that the inland market was expected to be saturated with radio engineering products in 1954 and 1955. All efforts would therefore be made to raise exports so as to guarantee full employment at radio engineering plants in the GDR. It had been resolved to increase exports by plants under the control of HV R-F-T by 187 percent in 1955. Scheffler and Fuehrle then spoke on the government order, according to which clerical workers had to be made available by radio engineering plants to agricultural cooperatives. So far only 3 accountants had been named. This situation was mainly blamed on the secretaries of the SED factory organizations.
7. The last point of the agenda was a discussion of the provisional 1955 production plans. It was announced that production plans for the first quarter of 1955 would have to be submitted to HV R-F-T by 1 July 1954. Seidel, chief of the production department of HV R-F-T, announced that the following 1955 production quotas, expressed in the eastmark value of the production, had been assigned to firms represented at the conference:

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Firm	Value of Production Quotas (in eastmarks)
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Fermeldewerk Arnstadt	20,800,000
Fermeldewerk Leipzig	24,500,000
Fermeldewerk Bautzen	7,850,000
Signalbau Treptow	25,200,000
Geraetewerk Chemnitz	20,100,000
Geraetewerk Leipzig	5,550,000
Funkwerk Koellada	8,850,000
Funkwerk Zittau	13,500,000

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